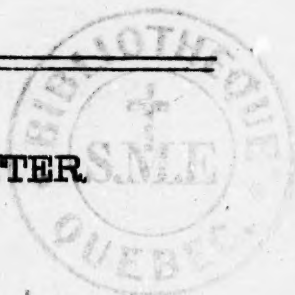


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BULLETIN ON BUTTER.



Consumption of Imported Butter in Great Britain.

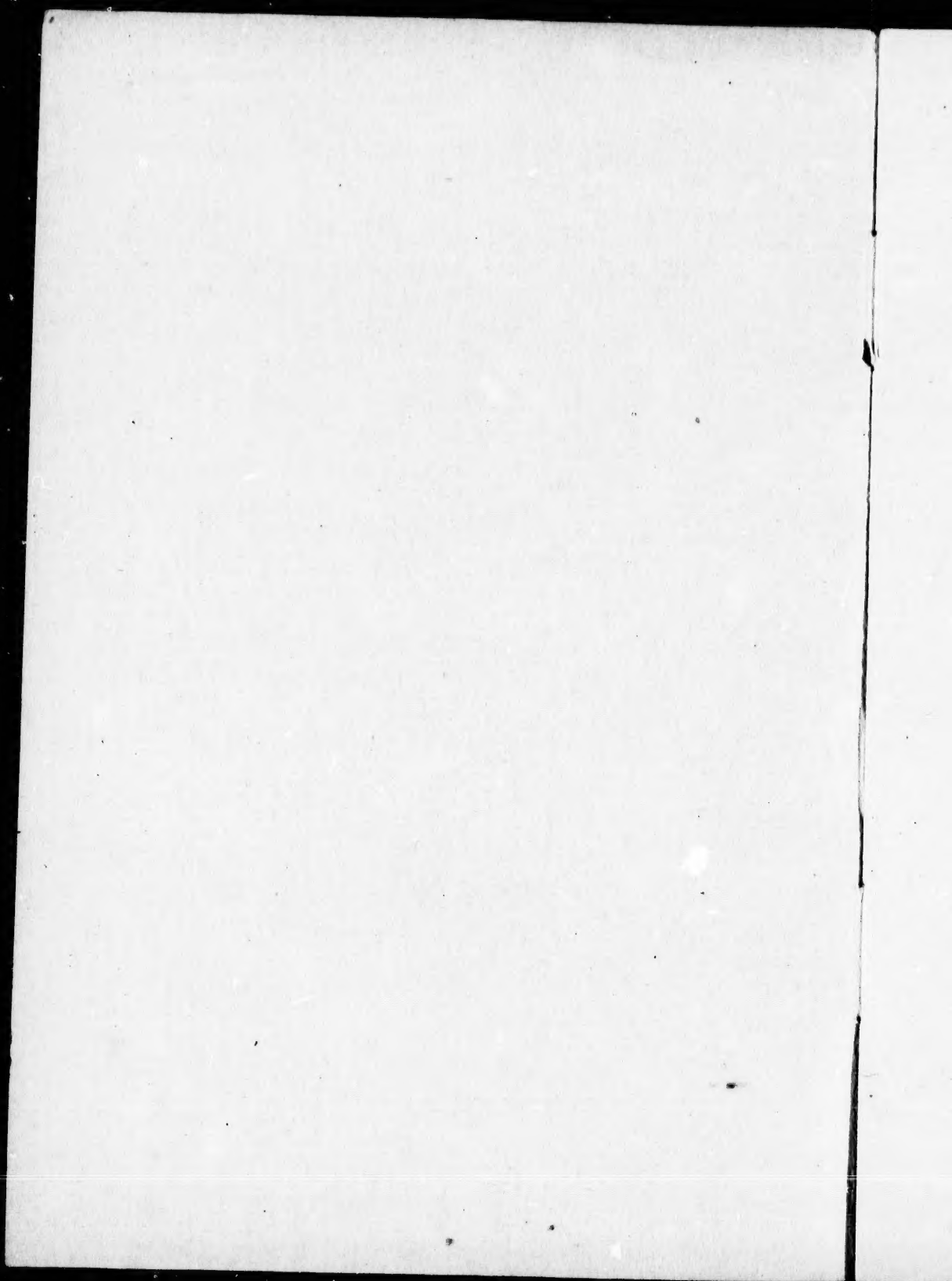
CANADA'S SHARE IN THE SUPPLY NEEDED.

RESOLUTION OF COMMONS COMMITTEE.

ACTION TAKEN BY THE DOMINION MINISTER
OF AGRICULTURE.

LETTER OF HON. MR. ANGERS,
Minister of Agriculture.

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3, rue de l'Université,
Québec 4, QUE.



CANADA.

BUTTER PRODUCTION AND EXPORT.

During the years 1885-93 the United Kingdom, according to the British returns, imported from Canada 33,214,272 pounds of butter; according to the Canadian returns Canada in the same period (9 years) exported to the United Kingdom 32,398,645 pounds of Canadian-made butter.

During 1885-93 United States' butter took the St. Lawrence route to the United Kingdom to the extent of 4,214,630 pounds and Canadian butter was shipped from United States' ports for the United Kingdom to the amount of 8,323,507 pounds.

Some of the Canadian butter shipped through the United States has doubtless been credited in the British returns to the United States, and some of the United States' butter shipped through Canada has been credited in the British returns to Canada.

Substantially, however, the British returns may be taken as correct. We have, therefore, during nine years sent to the markets of the United Kingdom an average of 3,690,474 pounds a year to supply an annual demand of 220,654,400 pounds. That is, in every 100 pounds the United Kingdom has imported, Canada's share has been 1 pound 2 ounces.

During the nine years the United Kingdom has imported from all countries 1,986 million pounds of butter, and Canada has accepted as her share in that trade 33,214,000 pounds.

Taking by three-year periods we have supplied $1\frac{1}{2}$ pounds in every 100 pounds imported by the United Kingdom in 1885-86-87; $\frac{2}{10}$ of a pound in every 100 pounds in 1888-89-90, and $2\frac{1}{2}$ pounds in every 100 wanted in 1891-92-93.

In 1894 the United Kingdom imported 288,519,056 pounds and Canada's share was 2,339,344 pounds, or $\frac{1}{2}$ of a pound in every 100 pounds wanted.

The United Kingdom has increased its demands upon the butter-exporting countries, while Canada has sent in 1894 less than the proportion for any of the three-year periods.

But this is not all. The Danish butter is entered in the British returns as worth $24\frac{54}{100}$ cents per pound, while the Canadian is entered at a value of $19\frac{62}{100}$. If the Canadian butter sent over in 1893 had had the value of Danish butter the sum of \$236,000 would have been added to the total. That is, it would have been worth just about 25 per cent more than its actual value as adjusted in the British returns.

Applying this percentage to the total export of butter from Canada during the past nine years, it appears that the farmers and traders of Canada have lost over \$1,500,000 because the butter shipped has not been equal to the average Danish standard.

We have not only supplied an infinitesimal proportion of the British demand, but we have supplied an inferior article.

The questions which are here expressed statistically occupied the attention of the Committee on Agriculture and Colonization during the last session of the House. It was moved in the Select Committee on Agriculture and Colonization by Mr. R. R. McLennan, M.P. for Glengary,

"That this Committee are of opinion from evidence placed before them, that the Creamery butter manufactured in Canada and sent to the English markets, suffers from an unfounded prejudice which has hitherto affected, materially, the prices obtained, and consequently the increase that this country should be making from year to year, in this important article of our dairy product, and therefore recommend that the Government take such steps as will place our butter on the markets, in fair competition with all other butter imported into that country."—Carried.

GEORGE JOHNSON,
Statistician.

DEPT. OF AGRICULTURE, OTTAWA,
STATISTICAL DIVISION, March 8th, 1895.

The Minister of Agriculture has aimed at meeting the wishes of the Committee, and has adopted a plan for that purpose. The following letter explains the plan he has prepared.

OTTAWA, February 26th, 1895.

SIR,—

I have to acknowledge your letter of the 18th inst., in which you intimate to me, by instruction of the Butter and Cheese Association of the Montreal Board of Trade, that the Board in Montreal "views with alarm the proposed offer of the Government to pay advances at the rate of 20 cents per pound on creamery butter of the finest quality made between the 1st day of January, 1895, and the 30th day of March, 1895, when for shipment to the British market."

I have to say to you in reply to reason 1st, as contained in your letter, that it appears from market reports from Great Britain, under date of the 9th inst., the finest Australian butter is quoted at from 96 to 100 shillings per hundredweight, and that there is an improved trade in Danish butter at from 100 to 108 shillings per hundredweight. These latter prices I take to be equivalent to a range from 21½ to 23½ cents per pound in England at the current rate of exchange.

I am informed that the actual and necessary business expenses for shipment of butter to Great Britain (including reasonable charges for commission) need not exceed 2 cents per pound from the Creameries in Canada.

Competent judges in Canada, among them the largest exporters of butter in Montreal, have expressed the opinion that Canadian creamery butter, when fresh made, is equal in quality to Australian or Danish. This opinion has been corroborated by butter merchants from Great Britain who have visited this country, and examined Canadian butter when fresh made.

If the statement in your letter be correct, that fresh made creamery butter shipped from Canada is not likely to net more than 16 cents per pound in England, it appears to me both important and desirable that some action should be taken to obtain for it a recognition of quality and price from which it is now excluded.

The advance of twenty cents per pound cannot be said to have injured the interests of butter merchants who have any stock of butter to dispose of; on the contrary, it has made a better condition of market for them.

I cannot see any reason for the alarm expressed in your letter, as the action of the Government, at most, could only affect the prospective trade of a few members of your

Association who might perhaps hope from the unfortunate dullness of the butter market, to compel the creamery men to accept less than 20 cents per pound for winter-made creamery butter.

I desire to point out to the members of your Association that not less than 5,000 farmers are already directly engaged in supporting winter creameries in Canada, and that the industry is capable of very considerable and profitable enlargement from year to year.

I may inform you that I have information from letters received at my Department, that the action of the Government in this matter is heartily commended by representative creamery men and farmers in the Dominion, and you will permit me to state that, while I regard the action of the Government as incidentally helpful and beneficial to merchants who export butter, it will be found especially advantageous to the dairy farmers of Canada, whose interests, I am sure you will agree with me, are incomparably of the greatest importance to the country.

I may further point out to you that the principle on which the Government has acted, namely, fostering, by giving a new direction to an important Canadian agricultural industry, is one that is well accepted.

The second reason which is urged in your letter against the action of the Government is that winter-made Canadian butter would come into competition "with new grass-made butter from other countries, which the English market is receiving."

I fear that in making this remark on behalf of your Association you have not been well informed as to the sources whence the English market received its supplies of butter at this season of the year, or it would doubtless have oc-

curred to you that Danish butter, which has won a good reputation, and commands, probably, the highest prices of any imported butters in the English markets with the exception of a small quantity of mild-flavoured and nearly saltless butter from France, is fodder-made butter from cows which are fed in stables; and I may further point out to you that the conditions for the making of fine butter at this season of the year are quite as favourable in Canada as in Denmark.

I am pleased to notice that your Association is not opposed to the plan which is under consideration for providing cold storage service and accommodation to permit summer-made Canadian creamery butter to be put on the British markets without deterioration in quality.

I have given careful consideration to the statements in your letter which say that "efforts should be made to induce butter-makers to sell their product when fresh," and also that "The makers should be clearly and emphatically told that, unless they are prepared to compete in the English market with other butter-exporting countries, in price as well as in quality, Canadian butter as an exportable article must cease to be, no matter what Government efforts are made to help it."

I have to inform you in reply, I am of opinion that when finest Canadian creamery butter is put on the British market in as good a condition as when it leaves the hands of the makers, it will readily command such prices as will leave a good margin of profit to the producers and the merchants.

It appears to me urgent that the attention of the trade and also that of the consuming public of Great Britain should be called to the excellent quality of Canadian creamery butter, through channels similar to those which

have been used so successfully in attracting attention to the superiority of Canadian cheese; and I am desirous of seeing that such be done.

In conclusion let me say that the action of the Government is taken in the interests of the dairy farmers of Canada; but I am at the same time hopeful that the members of the Butter and Cheese Association of the Montreal Board of Trade will reap advantages from it.

I have the honour to be,

Sir,

Your obedient servant,

A. R. ANGERS.

G. A. IRWIN, Esq.,
Secretary Butter and Cheese Assn.
of the Montreal Board of Trade.
10 St. John Street,
Montreal, Que.

The following extracts are from a letter received by the Dairy Commissioner from a firm in Manchester, England, to whom fresh-made Canadian creamery butter was sent for sale:—

"The high colour of Australian is against even the best qualities. The paler the colour, the better the demand on this market."

"We are much pleased with the quality of boxes marked 'Chesterville' and 'Lennoxville, No. 3,' Government Dairy Stations). These will sell in preference to Aus-

"tralian on this market, being paler in colour and at least
"equal in flavour. For these we made 86 shillings to 90
"shillings, which is more than Australian brought."

"Most of our customers were surprised at the quality of
"this parcel, as they expect Canadian to be something
"inferior. If you can ship quality equal to 'Chesterville,'
"and ship it when fresh-made, we can handle all you
"send."

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